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**Local Counsel for Plaintiff Northstar Financial Advisors, Inc.**

[Additional Counsel on Signature Page]

**UNITED STATES DISTRICT COURT**  
**NORTHERN DISTRICT OF CALIFORNIA**

NORTHSTAR FINANCIAL ADVISORS,  
INC., on Behalf of Itself and all Others  
Similarly Situated,

Plaintiff,

v.

SCHWAB INVESTMENTS, CHARLES  
SCHWAB & CO., INC., CHARLES  
SCHWAB INVESTMENT MANAGEMENT,  
INC., and SCHWAB TOTAL BOND  
MARKET FUND,

Defendants.

Case No. C-08-4119 SI

CLASS ACTION

**STIPULATION AND [PROPOSED] ORDER**  
**DISMISSING WITHOUT PREJUDICE**  
**CHARLES SCHWAB & CO., INC. AND**  
**SCHWAB TOTAL BOND MARKET FUND**  
***NUNC PRO TUNC***

[C-08-4119 SI] STIPULATION AND [PROPOSED] ORDER DISMISSING WITHOUT  
PREJUDICE CHARLES SCHWAB & CO., INC. AND SCHWAB TOTAL BOND MARKET  
FUND *NUNC PRO TUNC*

Plaintiff Northstar Financial Advisors, Inc. (“Northstar”) and defendants Schwab Investments, Charles Schwab & Co., Inc., Charles Schwab Investment Management, Inc., and Schwab Total Bond Market Fund (“Defendants”), by and through their counsel, hereby jointly submit a stipulated request for an order dismissing, without prejudice, Charles Schwab & Co., Inc. and the Schwab Total Bond Market Fund.

# **RECITALS**

**WHEREAS**, the above-captioned action *Northstar Financial Advisors v. Schwab Investments*, et al., No. C-08-4119 SI was filed on August 28, 2008;

**WHEREAS**, the initial complaint named as defendants Schwab Investments, Charles Schwab & Co., Inc., Charles Schwab Investment Management, Inc., and Schwab Total Bond Market Fund;

**WHEREAS**, on February 19, 2009, this Court granted in part and denied in part the defendants’ motion to dismiss and granted leave to file an amended complaint by no later than March 2, 2009 (“Dismissal/Amend Order”);

**WHEREAS**, on March 2, 2009, Northstar filed its First Amended Complaint;

**WHEREAS**, the First Amended Complaint no longer asserts claims against Charles Schwab & Co., Inc., or the Schwab Total Bond Market Fund;

**WHEREAS**, in making their assessments as to which defendants should remain in the case following consideration of the Court’s Dismissal/Amend Order, Northstar did not have adequate time to dismiss without prejudice Charles Schwab & Co., Inc. and Schwab Total Bond Fund prior to filing its Amended Complaint on March 2, 2009;

**WHEREAS**, in order to avoid confusion as to which defendants are still in the case, Northstar removed Charles Schwab & Co., Inc. and Schwab Total Bond Fund as defendants from both the caption and the body of the Amended Complaint; and

[C-08-4119 SI] STIPULATION AND [PROPOSED] ORDER DISMISSING WITHOUT PREJUDICE CHARLES SCHWAB & CO., INC. AND SCHWAB TOTAL BOND MARKET FUND *NUNC PRO TUNC*

**WHEREAS**, Northstar now seeks an order *nunc pro tunc* approving the dismissal without prejudice of both Charles Schwab & Co., Inc. and Schwab Total Bond Fund, effective as of March 2, 2009;

**WHEREAS**, no consideration was proffered by Defendants nor received by Northstar for the dismissal of Charles Schwab & Co., Inc. and Schwab Total Bond Fund; and

**WHEREAS,** Northstar has not yet filed a motion for class certification;

## STIPULATION

**IT IS HEREBY STIPULATED**, subject to the Court's approval, by and between counsel for Northstar and Defendants:

1. The previously named defendants, Charles Schwab & Co., Inc. and the Schwab Total Bond Market Fund shall be dismissed from the instant action, without prejudice.
2. The dismissal without prejudice of Charles Schwab & Co., Inc. and the Schwab Total Bond Market Fund shall be applied *nunc pro tunc* to precede the filing of the First Amended Complaint on March 2, 2009.
3. Subject to Court approval, the notice provisions of Federal Rule of Procedure 23(e) need not and shall not apply to this dismissal.
4. The dismissal is without costs or fees to any party.

Dated: March 4, 2009

**WOLF POPPER LLP**

By: /s/ Robert C. Finkel

ROBERT C. FINKEL  
(admitted *pro hac vice*)

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**Attorneys for Defendants Schwab  
Investments, Charles Schwab & Co., Inc.,  
Charles Schwab Investment Management,  
Inc., and Schwab Total Bond Market Fund**

PURSUANT TO STIPULATION, IT IS SO ORDERED.

Dated: \_\_\_\_\_



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HONORABLE SUSAN ILLSTON  
UNITED STATES DISTRICT JUDGE

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PREJUDICE CHARLES SCHWAB & CO., INC. AND SCHWAB TOTAL BOND MARKET  
FUND *NUNC PRO TUNC*

1 I, Christopher T. Heffelfinger, am the ECF user whose ID and password are being used to  
2 file this Stipulation and [Proposed] Order Dismissing Without Prejudice Charles Schwab & Co., Inc.  
3 and Schwab Total Bond Market Fund *Nunc Pro Tunc*. In compliance with General Order 45, X.B., I  
4 hereby attest that Robert C. Finkel, co-counsel for Plaintiff Northstar, and Dorothy L Fernandez,  
5 counsel for defendants, have concurred in this filing.

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7 s/ Christopher T. Heffelfinger  
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